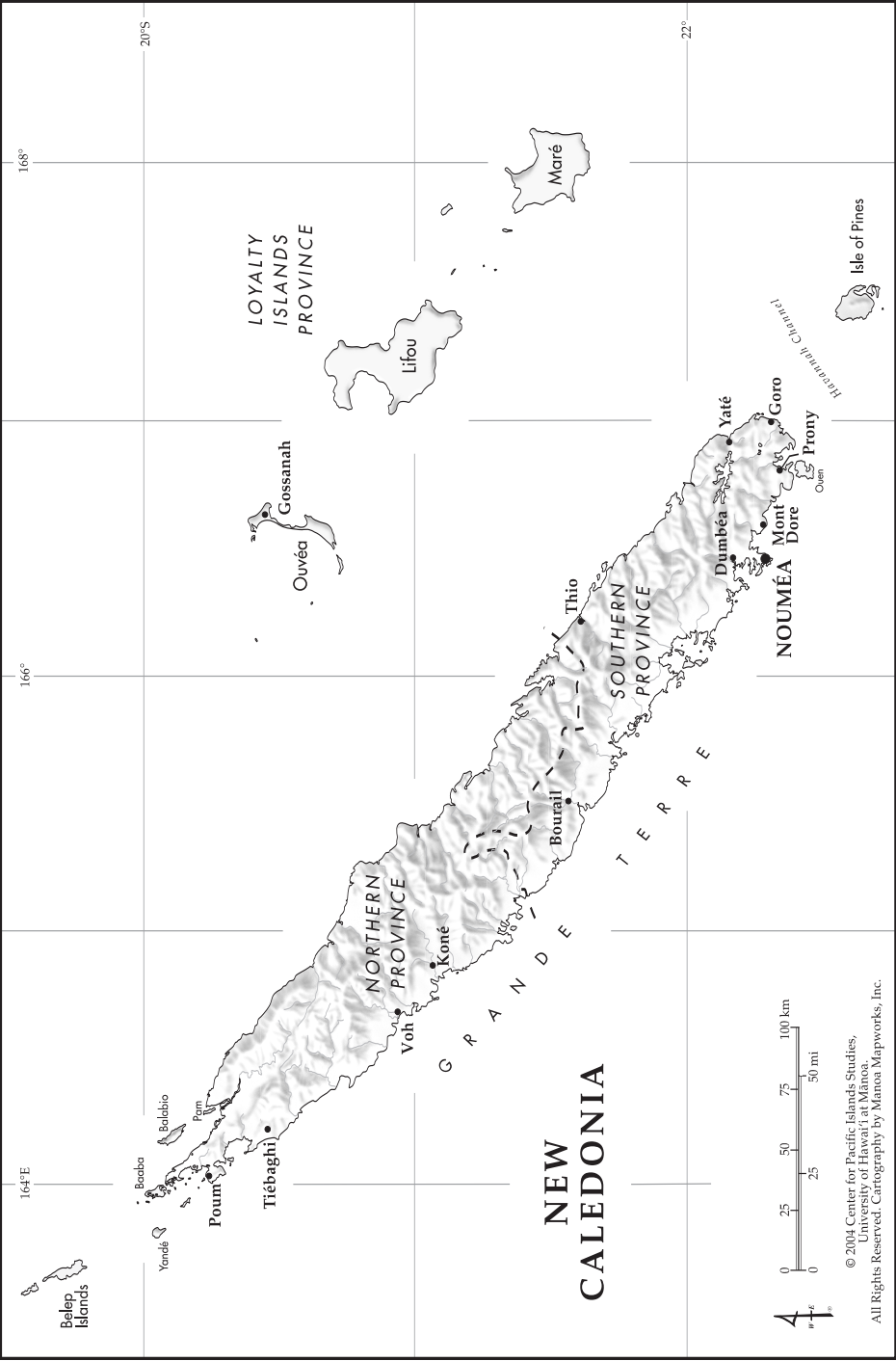


*Toward a Viable Independence?  
The Koniambo Project and the Political  
Economy of Mining in New Caledonia*

*Leah S Horowitz*

Indigenous Melanesians, known as Kanak, compose 45 percent of the population of New Caledonia, a Melanesian archipelago that is located 1,500 kilometers east of Australia but administered by metropolitan France.<sup>1</sup> Kanak groups have long been struggling for self-rule. Today, pro-independence leaders perceive economic autonomy as a prerequisite for political independence. Although the main island is rich in mineral ore, New Caledonia lacks the financial capital and technological skills necessary to launch large-scale projects on its own. Therefore, people in favor of independence call for the formation of economic relationships with institutions from nations other than France.<sup>2</sup> Falconbridge, a large multinational mining company based in Canada, fits this bill quite adequately. Its Koniambo Project, a joint venture with a local mining company, is still in the planning stages. If it goes ahead, it will involve the exploitation of nickel from the Koniambo Massif, a compact group of mountains that stretches between Koné and Voh in the Northern Province (see map 1), as well as the local construction of a nickel refinery to process the ore. This project has created hopes not only for economic development but also, in the minds of some local politicians and citizens, for building the foundations of a future independence. This paper examines the significance of the Koniambo Project in light of New Caledonia's recent political and economic history.

As in other regions where particular ethnic groups have historically been marginalized by the national government, resource sovereignty in New Caledonia has come to be seen by independence leaders as a path to political independence. Therefore, the Koniambo Project is important for three reasons. First, independence advocates are well aware that the sub-



MAP I

stantial—and growing—financial assistance from metropolitan France can only increase New Caledonia's dependence on the metropole. Kanak leaders have created or encouraged small-scale development projects, but for various reasons including issues of cultural identity, expectations of assistance, and intracommunity rivalry, these initiatives have met with little success. Instead, people now place their hopes in the Koniambo Project, a large-scale, exogenous venture that is expected to generate employment for local people. This project was initiated by the Société minière du Sud Pacifique (SMSP), a mining company of which Kanak own the majority of shares, and which is controlled by the mainly pro-independence Northern Province. A particular advantage of this project is that SMSP's partner is a Canadian multinational, Falconbridge. Thus, the second reason for the importance of the Koniambo Project is the fact that it is an opportunity for a largely Kanak organization to work in collaboration with a non-French company, further loosening New Caledonia's dependence on metropolitan France. Third, resource rights represent, in the eyes of many Kanak, their growing attainment of recognition and autonomy. It is clear from statements such as those made by local resident Bernard Tchaounyane that the fact that "now the Kanak have access to mining resources" means, for those who "still demand independence," that "the mine is a plus for the country" (pers comm, July 2001).<sup>3</sup>

Meanwhile, certain aspects of the New Caledonian situation make it highly unusual. First, it differs from many cases in which ethnically distinct regions form part of larger nations, where local groups have been disadvantaged as repressive governments allow them only limited resource rights or none at all. Throughout much of their colonial and even more recent history, governments of nations around the world have appropriated or allowed the appropriation of land and other natural resources, without adequately considering the needs of their original owners.<sup>4</sup> Local people may protest against such situations, sometimes successfully, but often to no avail.<sup>5</sup> For instance, in West Papua, where ethnically Melanesian coalitions are demanding independence from Indonesia, multinational mining activities have angered villagers. At Freeport's Grasberg copper and gold mine, local people have objected to the fact that they have received no rent or royalties from the mining project that has encroached on their land. This situation has ultimately resulted in a range of significant human rights abuses being committed by the Indonesian military (Ballard 1997; 2001; Leith 2002). In contrast, the Koniambo Project is

viewed favorably by the vast majority of the inhabitants of the Northern Province—most of whom are indigenous Melanesians—as promising material benefits to redress long-standing economic imbalances.

Second, the history of the Koniambo Project is unlike the histories of many natural resource exploitation activities, which have inadvertently stimulated or intensified demands for autonomy or political rights. The most obvious example of this is Panguna, where Bougainville Copper Limited, an Australian company, began operation in 1972. In 1988, the Panguna Landowners' Association demanded that Bougainville Copper pay it 50 percent of all profits and 10 billion kina as compensation for environmental damage. The villagers' discontent eventually resulted in an escalation of violence that led to the mine's closure in 1989 and ultimately to violent demands for the secession of Bougainville from Papua New Guinea. There were many reasons for the landowners' frustration, including dissatisfaction with levels of compensation, the fact that the money was not used for long-term development, and the many arguments over its distribution. Also, people were disappointed with the conditions in resettled villages, and they were shaken by the social upheaval that the project indirectly caused. Furthermore, they believed that mining pollution had led to the disappearance of wildlife populations and posed threats to human health. The children of those who had signed the agreements declared that Bougainville Copper had not lived up to its promises, and that the government of Papua New Guinea was ignoring the demands of landowners for a fair share of the wealth (May and Spriggs 1990; Connell 1991; 1992). However, purely political factors were also important; Bougainvilleans had long-standing grievances against the colonial administration, which then imposed the project on them against their will (Filer 1990). Another example comes from Uttar Pradesh, India, where frustration over the government's allocation of forestry rights to large companies rather than to local groups led to demands for an independent state of Uttaranchal (Rangan 1996). In New Caledonia, however, the opposite has occurred; Kanak independence activists' demands for economic and political rights have resulted in the Koniambo Project. SMSP contacted and negotiated with Falconbridge and then convinced the French government—with assistance of political pressure from independence party leaders—to help it obtain the Koniambo Massif from a French mining company.

New Caledonia's atypical situation in regard to the political significance of this mining project can be explained by the way the French government has chosen to address Kanak demands for independence. Several years of

violent uprisings in the mid-1980s ended with the signing of accords that promised economic development. Both pro-independence leaders and conservative loyalists agreed to these measures, but for different reasons: those in favor of independence believed that they would pave the way for a future independent Kanaky, while their opponents hoped to render such aspirations clearly unnecessary.

## NEW CALEDONIA'S INDEPENDENCE MOVEMENT

On 24 September 1853, the French government annexed New Caledonia. Soon thereafter, Kanak started being gradually displaced from their lands. The indigenous populations of the main island, known as Grande Terre, were forced onto reserves where the land was less fertile and where the resident clans, who were sometimes the newcomers' long-standing enemies, were obliged to receive them (Saussol 1996, 196). Under the Native Regulation System (*Régime de l'Indigénat*), Kanak were not permitted to leave their reserves without authorization from the colonial administration. This political order ended in 1946, allowing the Kanak freedom of movement and releasing them from compulsory labor. Over the next decade the Kanak progressively saw their legal rights extended with wider access to citizenship and the gradual extension of voting rights (Dornoy 1984, 155–156). During that period, the Kanak population transited from political exclusion to participation in the exercise of power (Freyss 1995, 24). The year 1956 saw the advent of universal suffrage as well as the passage of the Defferre “outline law” (*loi cadre*), which ultimately gave New Caledonia extensive autonomy through the creation of a territorial assembly as well as a government council with an elected president. As the dominant political party, the moderate Union calédonienne thus came to power, with an agenda that called not for independence but for reforming the territory to undo the damage caused by its colonial heritage. Meanwhile, a Melanesian elite came into being (Freyss 1995, 25).

Not satisfied with their increasing integration into the prevailing politico-economic system, Kanak radicals demanded more profound, systemic changes. Unfortunately for independence activists, however, their demands occurred at a time when France was losing its other colonies. In the 1960s, Algeria and France's other African possessions obtained their independence. To mitigate these losses, France aimed to reinforce its position in New Caledonia, encouraged by the fact that in a referendum in 1958, France's South Pacific territories had chosen to retain the political

status quo (Dornoy 1984, 94, 265). Meanwhile, France was becoming increasingly interested in New Caledonia's mineral reserves. Throughout the 1960s, officials often referred to the strategic importance, for the French State, of the territory's nickel production (Howard 1991, 141). By 1974 the metropolitan government had obtained a 50 percent interest in the territory's largest nickel company, the Société Le Nickel (SLN), and later became the company's exclusive owner (Winslow 1989, 113). Metropolitan France assured its control of this lucrative industry by tightening the political reins in New Caledonia. In 1963, the Jacquinot Laws reduced the powers of the Territorial Assembly and reorganized the Government Council, replacing its elected president with a territorial high commissioner, a representative of the French government. The 1969 Billotte Laws further increased metropolitan France's control in New Caledonia, expanding its authority over rural districts, investments, and mining regulations (Dornoy 1984, 95–96). Notably, these laws transferred the power to authorize mining activity in New Caledonia, and to set mineral export quotas for the territory, to the French ministry of industry (Winslow 1989, 112). Shortly thereafter, the French government began systematically promoting immigration to New Caledonia from France and from the other French Pacific territories. Although these demographic changes ultimately increased Kanak resentment (Henningham 1992b, 70), they were intended at the time to create a political counterweight to pro-independence stirrings (Henningham 1992a, 62).

Indeed, in 1969, young students who had participated in the May 1968 movement in France returned to New Caledonia with Marxist and anti-imperialist ideas. Over the next few years, encouraged by the acquisition of independence by neighboring countries, they began to form militant, nationalist, anti-colonialist political parties (see Henningham 1992a, 66; Freyss 1995, 26). Many of these groups united under the rubric of the anti-capitalist Parti de libération kanak (Palika) in 1976 (Freyss 1995, 27). By 1977, independence was the central issue in territorial assembly elections, in which pro-independence candidates won two seats, and in 1984 a majority of the leaders of the coalition of pro-independence parties, Front de libération nationale kanak et socialiste (FLNKS), boycotted the election (Howard 1991, 152–155). This action, led by Jean-Marie Tjibaou of the Union calédonienne, was to signal the start of a series of violent uprisings (see Henningham 1992a, 82–116), the most tragic of which occurred at Gossanah, Ouvéa (see map 1). On 22 April 1988, Kanak militants invaded a local police station, taking several gendarmes hostage and killing four

of them in the process. On 5 May, French soldiers stormed the cave near Gossanah where the gendarmes were being held, resulting in the deaths of three soldiers and nineteen Kanak, including three who reportedly were killed after they had surrendered (Henningham 1992a, 69).

The years of bloodshed, known as *les Événements* (the Events), ended a month later, in June 1988, with the Matignon Accords. This agreement was signed by Tjibaou and his opponent, Jacques Lafleur, one of the wealthiest men in New Caledonia and the leader of the loyalist *Rassemblement Pour la Calédonie dans la République* (RPCR). With the aim of redressing the nation's ethnically based economic imbalances, the text of the accords promised restitution of customary lands, promotion of Kanak culture, preparation of a future New Caledonian elite, and initiation of rural development activities, and also made provisions for another referendum in 1998. Furthermore, it redrew provincial boundaries—but still left much of the territory's wealth under the control of New Caledonians of European origins (Howard 1991, 159). Unsatisfied with the compromises reached in the accords, a FLNKS member from Gossanah named Djubelly Wea (who may or may not have had the support of Kanak nationalists) assassinated Tjibaou and his right-hand man, Yeiwene Yeiwene, on 4 May 1989, at a customary ceremony that marked the end of the year-long mourning period at Gossanah.

The referendum planned in the Matignon Accords took place ten years later; however, rather than addressing independence, as had been promised, the referendum was about the Nouméa Accord, drawn up in April of that year. In November 1998, voters gave an overwhelming (71.87 percent) approval to this accord. The text included a preamble acknowledging that the seizure of New Caledonia in 1853 had not taken into account the Kanak people and their "special link to the land." It also initiated certain legislative changes to allow greater scope for the expression of Kanak identity, notably concerning the official recognition of "Customary Regions" (*Aires coutumières*) and the creation of a consultative body, the Customary Senate (*Sénat coutumier*). Additionally, the accords made provisions for a gradual devolution of administrative authority to the territory, which was recategorized as an "overseas country" (*pays d'outre-mer*) in 1999—although, despite the change in nomenclature, the archipelago remains a French possession. One of the powers transferred to New Caledonia was that of drafting mining regulations, while the provinces were given the responsibility of enforcing them (paragraph 3.2.5. of the Nouméa Accord). More training and economic development programs

were also promised. New Caledonia would thus remain a part of France, but a new referendum would be held in fifteen to twenty years' time.

## POLITICS AND ECONOMICS

Efforts toward economic development, and the struggle for—or against—New Caledonia's independence from France, are closely linked. Ever since serious demands for Kanak autonomy commenced in the early 1970s, metropolitan French politicians have initiated development projects that some analysts have interpreted as attempts to distract New Caledonians from broader political issues. Moreover, even as local officials have been granted more political responsibilities, ever-increasing financial assistance has served to augment New Caledonia's economic dependence on the metropole. Independence leaders, aware of the pitfalls of relying heavily on aid from metropolitan France, have created or encouraged development projects; yet, for various reasons (discussed in the next sections), these initiatives as well as those promoted by the central government have met with little success. The following review draws heavily on Jean Freyss's 1995 analysis of New Caledonia's politico-economic situation.

### *An "Assisted Economy"*

The response of French policymakers to the independence movement was to try to focus attention on economic rather than political or social changes. For instance, in a 1975 letter to the secretary in charge of overseas departments and territories, the high commissioner admitted that, for the Kanak, the land question was "not purely economic," but he deduced that it was "nonetheless in this light that it must be considered if we are to avoid . . . its moving . . . to the purely political arena and ending up in a questioning of Caledonian society" (quoted in Freyss 1995, 38). Thus, "integration" was to be accomplished without changing relationships of dominance and subordination, or accounting for political and cultural dimensions of the problem (Freyss 1995, 35). For example, enlargements of reserves were at first made conditional on demonstrations of plans to develop the lands granted, as though the issue of land claims were a purely economic matter.

When such policies failed to quell calls for independence, successive French governments began to increase transfers of public funds to New Caledonia through the creation of institutions such as FADIL (Fonds



d'aide au développement de l'intérieur et des îles), set up by a right-wing government in 1975, followed by ODIL (Office de développement de l'intérieur et des îles), created by a left-wing government in 1982. These establishments were ostensibly aimed simply at reducing economic inequalities, especially in the distribution of land and mining revenues. They provided the only means of access to credit for Kanak, whose lands could not be alienated and therefore could not serve as collateral. However, FADIL's projects were mostly considered to be failures. For instance, its fishing boat project had only a 15 percent success rate due to a lack of infrastructure for distributing the marine products, fishermen's inability to purchase fuel or to make monthly payments on the boats, and delays caused by the fact that motors could only be repaired in distant Nouméa (Leblic 1991, 750, 752). In the wake of such disappointments, ODIL created networks of rural extension workers, organized training programs, and monitored projects. Additionally, funding was made contingent on support from both the chief and the council of elders of the local entrepreneur's village.

However, such efforts in fact increased New Caledonia's economic dependency on metropolitan France, creating what Freyss has termed an "assisted economy" (*économie assistée*) because it is founded on massive—and growing—transfers of public funds, which swelled from 15 percent of gross domestic product in the 1960s to 50 percent in 1987 (1995, 203). According to Freyss, this situation reflects a deliberate intention on the part of metropolitan policymakers to "contain the push for independence by the intensification of development projects for Melanesians" (1995, 46). In 1970, at the height of the nickel boom, government officials worried about "an 'economic and financial autonomy' which would be contrary to the policy defined these last few years by the government, which aims to tighten every sort of link between the metropole and New Caledonia" (quoted in Freyss 1995, 200). The solution they devised was to allow nickel revenues to be invested in metropolitan French banking institutions, while other metropolitan institutions financed the nickel exploitation with loans (Freyss 1995, 200). Similarly, even the Dijoud Plan of 1978—full of rhetoric about "promoting Melanesian culture," "respect of the historical rights of Melanesian communities," and the rejection of the notion that Kanak must be integrated into "the Western way of thinking and living"—was fundamentally conservative. As Freyss has pointed out, the Dijoud Plan did not question existing power structures and ultimately offered no other solution than integration into a supposedly "pluri-ethnic society" (1995, 48–50). At first favorable to the plan, independence lead-

ers such as François Burck finally rejected it as yet another proposal to “inject money, but without actually abolishing the system” (Interview with Burck, 4 July 1978, quoted in Freyss 1995, 50).

### *The Disappointing Record of Development*

Independence leaders were clearly aware of the dangers of the growing dependence on metropolitan France. They viewed local, endogenous economic development as a condition of independence (Freyss 1995, 32) and, conversely, they considered political autonomy a prerequisite for financial well-being (Dornoy 1984, 153). Therefore, they advocated small-scale efforts to increase all forms of self-reliance. In the early 1970s, independence leader Jean-Marie Tjibaou promoted programs such as the “Women’s Movement Towards a Smiling Melanesian Village” (Mouvement féminin vers un souriant village mélanésien), in which several hundred women in about twenty local groups participated in efforts to improve their villages’ hygiene, fight against alcoholism, assist in children’s education, and design recreational activities for young people. In the mid-1970s the political parties Union progressiste mélanésienne (Melanesian Progressive Union) and Union calédonienne competed to initiate development projects, while other Kanak activists formed a small mining company (Freyss 1995, 33). In 1984, when the Fabius Plan divided the territory into four regions, each with its own elected Regional Council and president, the FLNKS came into power in the North, Center, and Islands regions while the RPCR retained control over the South. In 1985, ODIL was replaced by ODR (Office de développement régional), which continued to offer training programs, rural extension work, and project monitoring, but ceded the responsibility for financing projects to the relevant regional authorities. At this point, economic development efforts initiated by Kanak, such as the formation of cooperatives, acquired an even stronger political significance (Leblic 1991, 751). Independence leaders, temporarily forced to compromise on their ultimate political goals but given new powers and responsibilities on the local level, focused on development as the means of working toward an eventual independence. Although they suffered from a lack of highly trained Kanak professionals, local politicians encouraged the creation of a variety of microprojects (Freyss 1995, 59).

Nonetheless, rural New Caledonia has historically had a conspicuous lack of economic development projects and a high rate of failure for those that it has hosted. In 1984, small and medium-sized industries accounted

for less than 2,000 of the 20,000 jobs in the private sector; moreover, most of these enterprises were based in greater Nouméa. Notably, 56 percent of these industries were initiated by metropolitan French, and not one was created or managed by a Melanesian (Freyss 1995, 99–100). Conventional wisdom identifies as “obstacles to development” the reticence of privileged groups (such as Noumeans of European origins) to share their wealth, and the supposed incompatibility of “traditional” Kanak society with “development” and “modernity.” However, “Kanak society’s aptitude for change” indicates that the reality is far more complex (Freyss 1995, 14). As Anthony Bebbington has pointed out, it is necessary to examine fully the “cultural, economic, agro-ecological, and socio-political contexts” of local people’s engagements with development projects, because only if we “understand the ways in which actors are situated, and how this affects their rationales” can we comprehend why certain projects succeed while others fail (1996, 88).

One reason for the disappointing record of New Caledonia’s formal rural development projects lies in the fact that the projects have usually required assimilation or integration into dominant socioeconomic structures, whereas Kanak leaders have prioritized maintaining, and obtaining recognition of, a distinctive identity (Freyss 1995, 44). Leaders have wanted change to occur on their own terms, and they sometimes favor a socialist vision, which they describe as corresponding to traditional customs. At its second congress in 1977, Palika leaders pronounced themselves against FADIL’s program, insisting, “The *sole condition* for the recovery of the lands is their distribution to the *collectivity*: *no* to individual or private plots of land, *no* to FADIL which aims to integrate, even further, the Kanak into the capitalist system” (in Leblic 1993, 197; original emphasis). In 1978, independence leader Nidoish Naisseline pronounced himself against certain politicians’ call for a passage “from the tribal horde symbolized by Kanak society to modern, Western society” (Official summary report to the Territorial Assembly, June 1978, quoted in Freyss 1995, 43). In stronger language, that same year Union calédonienne counselor Éloi Machoro insisted that the independence movement’s demands would always place cultural identity and dignity before economic concerns, declaring that “the first step is nothing other than the return of the lands; development of these lands will come later and the Melanesians will require no-one else in order to realize it” (Official summary report to the Territorial Assembly, June 1978, quoted in Freyss 1995, 43).

These statements do not mean that Kanak activists are against their people's advancing technologically or achieving a higher standard of living; indeed, widespread enthusiasm about the Koniambo Project speaks quite to the contrary. Rather, they insist on finding solutions that will allow economic changes to occur simultaneously with the reinforcement of cultural identity. As Jean-Marie Tjibaou noted in 1972, "the Melanesian's economic participation in his country's development" must go hand-in-hand with "cultural information and research" (quoted in Freyss 1995, 32). Many of the Kanak with whom I discussed various small-scale development projects expressed great interest in these opportunities yet insisted on the importance of complete ownership of the activities. They felt that the provincial government could contribute technical and financial support but that the appropriate customary authorities must be the ones to make all decisions about how the project would be run and who must manage which aspect of it, according to his or her social position. It became quite clear to me that such considerations must be incorporated into any development project in order for it to have any chance of success (see Horowitz 2001).

Another problem is that—despite mistrust of the government's ultimate aims—potential small-scale entrepreneurs have grown to expect the administration to provide not only "employment [and] money, but also initiative" for any small-scale project (Freyss 1995, 144). Many Kanak to whom I spoke about various development ideas assumed that the local (usually provincial but sometimes municipal) government should, and would, provide all necessary financial, technical, and legal assistance. Until they had been assured of this support, they would not take the first step in starting, or participating in, a project. Nor, if the grant is accompanied by a loan, do entrepreneurs always adequately take into account the implications of having to make monthly repayments (Freyss 1995, 387). This attitude is not surprising given the substantial subventions granted to local institutions by the French government, some of which trickle down to assist rural residents with small-scale projects. Financial assistance has increased at every economic or political crisis point over the past thirty years, creating a "vicious circle" that makes metropolitan aid more and more indispensable at all levels of New Caledonian society and tends to sap individual entrepreneurship (Freyss 1995, 184–185, 229). Kanak leaders have long been conscious of such problems; in 1974 André Gopoea of the Union progressiste mélanésienne declared, "It is time now to let Melanesians take initiatives; we mustn't continue to put them to sleep. It sur-

prises us afterwards that nothing gets achieved but the problem is due to this theory. We give the means but we must leave some initiative to the people concerned" (Declaration in the ordinary session of the Territorial Assembly, 30 May 1974, quoted in Freyss 1995, 388).

A third obstacle stems from the intensely hierarchical and competitive nature of Kanak societies. Often, rather than personal skills or knowledge, it is members' social rankings within the community, based on their clans' order of arrival, that determine their positions within a cooperative or a small-scale enterprise. Furthermore, the enterprise itself becomes a venue for families and clans to compete for recognition of their social standing, as the right to make decisions about the areas in question constitutes proof of membership in a customary landowner clan. Many a project has been undermined by such rivalry (Freyss 1995, 277), and even the Koniambo Project has been affected by such tensions (see Horowitz 2002).

At the same time, however, local people expect great political and economic benefits from the Koniambo Project. These expectations are largely grounded in the fact that the nation's substantial mineral wealth, long accessible only to New Caledonians of European origins, has recently become an important stake for Kanak as well, as explained in the following section.

## MINING IN NEW CALEDONIA

Nickel—or, to use its apt local sobriquet, "King Nick" (le Roi Nick)—has a long history in New Caledonia. In 1863 geologist Jules Garnier discovered nickel in New Caledonia, and in 1874, with the help of businessman John Higginson, the first nickel mine opened at Mont d'Or (now Mont Dore). From then until 1900, some 600,000 tons were mined, and 3 million tons more were extracted from 1900 to 1923. By 1981, it was estimated that 110 million tons of ore had been taken from New Caledonia's soils (Bird and others 1984, 12).

### *Economic Significance*

According to various estimates, New Caledonia currently has between 10 and 40 percent of the Earth's nickel reserves and may even contain "the richest known reserves in the world," which could last another two hundred years (Bird and others 1984, 50). It is the third largest nickel producer, as well as the largest producer of ferro-nickel, in the world. Most of the approximately 7.5 million tons of nickel ore extracted annually is

currently exported in its raw form, but SLN has a refinery at Doniambo (in Nouméa) that processes one third of the ore, generating an average of 56,000 tons of metal each year (ADECAL 2000). In 2000, nickel ore exports, mainly to Japan and Australia, reached 4,108,676 tons for a total value of 15.2 billion FCFP, while exports of refined nickel were worth 5.4 billion FCFP.<sup>6</sup> The other productive sectors, such as agriculture (mostly extensive cattle ranching), are weak and in relative decline (Freyss 1995, 71). Thus, as a whole, in 2000 the nickel industry contributed 92.1 percent of export revenues, although a large percentage of the returns from this industry have usually been expatriated (Henningham 1992b, 78).

However, nickel extraction and refinement combined account for only 10 to 25 percent of gross domestic product. The remainder is contributed primarily by rapidly expanding government administrations (which commonly represent nearly a third of gross domestic product, through the salaries they distribute) and the overdeveloped commercial sector, based mainly on importation (Freyss 1995, 69–70, 133). Meanwhile, the nickel industry provided only 5.6 percent of salaried employment (2,750 jobs) for the year 2000 (ISEE 2001). Moreover, the nickel industry has historically been highly unstable, experiencing irregular booms and busts because of market oscillations (Banks and McShane 1999, 385; Rainon and Villedieu 1999). A particularly high boom lasted from 1967 to 1975, in response to the economic growth of industrialized nations, the stimulus of the Vietnam War, and a strike in Canada at Inco (the International Nickel Company), SLN's main rival on a global scale (Henningham 1992a, 61). Production records were broken each year until 1971, when over 7.5 million tons of ore and 150,000 tons of metal were produced, figures that have never since been equaled (Mathieu-Daudé 1992, 70). During that period New Caledonia's economy expanded as the number of wage earners rose from 20,160 in 1968 to 33,982 in 1972 (Henningham 1992b, 69), but the increase was largely fueled by an influx of 35,000 immigrants, primarily from French Polynesia, Wallis and Futuna, and metropolitan France (Howard 1991, 145). Many of the immigrants preferred that New Caledonia remain a French possession, leading to heightened tensions among ethnic groups, and between Nouméa and the rural areas (Delvinquier and Legeard 1999). The economic boom was followed by a bust that began in 1972, provoked by international competition and market fluctuations.

### *Kanak Participation*

Until the 1960s, Kanak from Grande Terre were rarely employed in the mining sector. Because customary obligations prevented them from report-

ing regularly to the work place, they were considered undesirable laborers and labeled “lazy.” Mining entrepreneurs preferred to employ prison laborers, who were “rented” to large private enterprises such as mining companies (Merle 1995, 132), or immigrant workers under contract, who were uprooted and therefore more docile (Freyss 1996; Angleviel 2000). Loyaltians participated to a greater extent since, farther from their home islands, they were less subject to social obligations, but most workers were imported from the New Hebrides (now Vanuatu), Japan, Indonesia, French Indochina (now part of Vietnam), Wallis and Futuna, French Polynesia, and Europe (Bencivengo 1999, 125–126; Angleviel 2000, 70–75). Moreover, the Kanak were initially confined to their reserves, making it more difficult for them to seek employment. When the Native Regulation System ended in 1946, they became more integrated into the mining sector but were still almost always employed as manual laborers. As mechanization increased, they were replaced by skilled employees who, in the absence of a local training program, had to be brought from metropolitan France or elsewhere. No Kanak occupied an executive position in the mining sector until the 1980s (Carnuccini 1999).

Mining has always been a huge politico-economic stake for those involved with it; even today, “the leading European families of New Caledonia, which dominate the commercial economy and have great influence in the politics of the territory, owe much of their wealth to their involvement in nickel mining” (Henningham 1992b, 65). However, mining has not historically been a primary target of New Caledonian independence activists, nor have local communities demanded the type of compensation payments that are common elsewhere in Melanesia.<sup>7</sup> There are several interrelated reasons for this, as outlined by Stephen Henningham (1992b, 74–76).<sup>8</sup> First, New Caledonia was colonized long before most of its neighbors, and mining has been in place nearly as long; in sharp contrast to the situation in the independent nations of Melanesia, mining companies in New Caledonia rely on a nearly one-hundred-thirty-year history of legislative support from the French government. Second, mining operations in this sparsely populated landscape have often taken place far from any centers of population. (Significantly, Thio, on the east coast, is one of the rare communities that have been affected by mining, and it has become a focal point of nationalist activity.) Third, areas rich in minerals are usually found on remote mountaintops and are composed of soils with a high mineral content that makes them unsuitable for agriculture. Fourth, other targets were of higher priority in New Caledonia: The nationalist movement of the 1980s concentrated on opposing French rule, while villagers’

land conflicts primarily concerned nonindigenous cattle farmers. Fifth, mining companies have occasionally managed to reach agreements with communities by providing benefits such as employment. Lastly, Kanak have largely remained outside the mainstream market economy and thus are less aware of the benefits and costs of mining.

Nonetheless, radical reform of the mining industry did feature among the objectives listed by Palika's 1977 manifesto, which aimed "to oppose the system of repression established by the French, and the exploitative nickel industry; the return of all land stolen by settlers, missionaries, SLN and the French government, for the benefit of the Kanak people on a communal basis; and the nationalisation of industries" (quoted in Howard 1991, 151). Five years later, exclusion of the Kanak from the mining industry prompted members of a pro-independence political group, *Libération kanak socialiste*, to declare, "In New Caledonia, to the pillage of mining resources (nickel, chrome) is added the oppression of the Kanak people, kept out of economic development and submitted to the political domination of France" (quoted in Douyere and others 1985, 2). However, this situation—and hence these attitudes—altered in 1990 when, after over a year of negotiations, SMSP and its mining concessions changed hands from RPCR deputy Jacques Lafleur to the semipublic company SOFINOR (*Société de financement et d'investissement de la province Nord*), which was created just before this purchase. Seventy-five percent of SOFINOR capital was contributed by the Northern Province, governed by Kanak pro-independence activists. This transfer, which followed on the 1988 Matignon Accords' promise of economic readjustment in favor of the underprivileged north, embodied many hopes that the Kanak would finally be able to participate in a significant way in the territory's mining industry. The choice of a man of Sino-Vietnamese origin, André Dang, as the first SMSP leader after this transfer led to some protests by nationalist Kanak (Henningham 1992b, 77). In 1999, Dang retired, leaving SMSP in the hands of Kanak entrepreneur Raphaël Pidjot, but Dang was obliged to resume his former responsibilities when Pidjot perished in a helicopter crash in November 2000.

### *Future Plans*

Currently, the French company SLN possesses New Caledonia's only nickel refinery, located at Doniambo, on the outskirts of Nouméa. However, several multinational mining companies have recently expressed interest in constructing nickel refineries on Grande Terre. The two most advanced and widely publicized projects are planned by rival Canadian companies,



both based in Sudbury, Ontario. The construction of each of the two refineries will require several years of labor from 2,000 people, many of whom will be recruited from abroad, and the operation of each refinery is expected to generate 700–800 direct jobs and indirect employment for another 1,500–2,000 people.

One of these projects, known as Goro-Nickel and located at Goro near the southern town of Yaté (see map 1), is run by Inco in conjunction with the French State. In 1999, Inco completed construction of its US\$50 million pilot plant, designed to test a new hydrometallurgical and solvent extraction process technology that uses sulfuric acid to extract metal from ore. Construction of the much larger, US\$1.4 billion, fully integrated commercial nickel-cobalt mining and production facility, partly subsidized by the French government, was slated for completion in late 2004. However, on 6 December 2002, construction was suddenly postponed for at least six months, and the Filipino and Australian workers sent home, while Inco officials reevaluated their options given the project's unexpectedly high financial costs. This project has also caused much consternation among members of local nongovernmental environmental organizations, such as Action Biosphère and Corail Vivant, which fear serious marine pollution from the tailings and waste products produced by the new extraction process. After neutralization of acids and a period of time in a settlement basin, 15,000 cubic meters of wastewater per day would be dumped directly into the sea at a depth of forty meters. The wastewater would inevitably include heavy metals and other toxic compounds, which, environmentalists claim, would be dispersed by currents into the nearby Merlet Marine Reserve.

Residents of the area around Yaté were angry that the pilot refinery had been constructed "behind their back" (NC 2001a). In 2000, they formed a GDPL (Groupement de droit particulier local), a structure that as of 1989 allows clans to reclaim customary areas without having to use the lands for commercial purposes. This GDPL, known as Ko Mwa Ī, represented the self-styled local customary landowner clans, composed of about 3,500 persons. The twenty-eight members of the GDPL, most of whom were either elected officials or very active members of the anti-independence political party RPCR, intended to "reserve [ie, reclaim] large areas of land around or near the future Inco refinery" (NC 2001b) so as to be able to control the installation of the refinery. At the same time, local chiefs and presidents of the Councils of Elders joined to form a twelve-member Council of Wise Men. Meanwhile, twelve other community members formed the Société mélanésienne de participations et d'investissements du

Grand Sud, an association with the mandate of receiving percentages of the profits of all enterprises directly or indirectly associated with the construction of the refinery. In total, they demanded 19 billion FCFP from Inco. In September 2002, representatives of Ko Mwai Ī met with Inco's chief executive officer, Scott Hand, to remind him of the importance of Kanak participation in Goro-Nickel. Hand replied that the construction phase would be very short and recommended that the local population focus more on the exploitation phase, which would be much more long-term (NC 2002b).

Unlike the local residents with their exorbitant demands, the Southern Province went to the opposite extreme, providing Inco with very substantial tax breaks over fifteen years and making training programs available for Inco's employees. In exchange, they requested only that 5 percent of the project be owned by New Caledonia (in contrast to SMSP's ownership of 51 percent of the Koniambo Project; see below). In July 2002, the province granted a research permit to Inco at Prony, a site extremely rich in nickel. The exploitation of this deposit would allow the refinery at Goro to double or triple its production. This move led to protests from the main coalition of independence parties, FLNKS, whose members feared that these conditions would allow Goro-Nickel to outcompete the Koniambo Project, an allegation denied by the loyalist RPCR. The FLNKS demanded that New Caledonia receive a greater share in Inco's project and supported both a rally in early July (assembling about 2,000–3,000 people) and a general strike on 27 September 2002, to protest Inco's being granted a research permit at Prony. At the same time, environmental groups, trade unions, pro-independence parties, and other nongovernmental organizations joined to form the Action Group for the Defense and Management of the Prony Heritage (*Collectif pour la défense et la maîtrise du patrimoine de Prony*). In August 2002, one Kanak member of this group wrote a letter to the high commissioner stating that the permit had been granted despite "formal opposition from the indigenous people," rendering it "in violation of all the principles adopted by the international community concerning the protection and promotion of the rights of indigenous peoples." The letter urged the high commissioner to "act to prevent any unrest that might result from the attitude of the executive of the Southern Province by interceding with the latter in order to make him change his mind." On 18 November 2002, after negotiations with Inco CEO Scott Hand, RPCR leader Jacques Lafleur announced that Inco would grant New Caledonia an additional 5 percent of Goro's capital, "free of charge" (NC 2002c).

Although this total of 10 percent for New Caledonia was less than the 20 percent he had hoped for, the mayor of Yaté pronounced himself in favor of the development. The action group disagreed, however, and on 16 December 2002 organized a rally, coinciding with a visit from the minister responsible for France's overseas possessions, to protest the granting of the research permit to Inco.

Falconbridge/smsp's Koniambo Project, located on the massif between Koné and Voh (see map 1), has not faced such opposition or demands, nor is it the focus of environmentalists' concerns. In November 2001, New Caledonia's Human Rights League (*Ligue des droits de l'homme*) organized a conference and debate on the theme of "Environment and Sustainable Development," and invited representatives from SLN, Inco, smsp, and Falconbridge, along with groups such as Action Biosphère, Corail Vivant, World Wide Fund for Nature, and other local or international human rights or environmental nongovernmental organizations. The next day the local newspaper reported, "Falconbridge got off scot-free. But SLN for its smoke and its slag, and Inco for its effluents, its Filipinos [future construction workers] and its lack of transparency, were on Wednesday evening the target of environmental defense associations" (Lepot 2001). Part of the reason that Falconbridge has managed to avoid such criticism is undoubtedly that the pyrometallurgical technology that it plans to use, at least at first, is well tested.<sup>9</sup> It has also benefited from the fact that environmental groups see the Inco project, which is further along, as a more pressing threat. However, as demonstrated in the following sections, perhaps the most important reason why no one dares challenge the Koniambo Project is its highly politicized nature.

## THE HISTORY OF THE KONIAMBO PROJECT

Falconbridge is the world's third largest producer of refined nickel, with a market capitalization of US\$2.2 billion. In 1994 the smsp chief executive officer, André Dang, contacted Falconbridge with a proposal for the joint construction of a nickel refinery to be located in New Caledonia's Northern Province. Falconbridge subsequently conducted studies on the area's ore and on smsp itself. In August 1995, the two mining companies signed a draft agreement, and on 19 June 1996, smsp and Falconbridge officially joined forces to begin plans for construction of the refinery. In October 1996, smsp presented the project to the French government. smsp would own 51 percent of the capital and Falconbridge 49 percent.

The refinery would be a ferro-nickel plant that would use pyrometallurgical fusion techniques to treat ore with an average nickel content of only 2.5 percent, and would generate 54,000 tons of nickel per year, thereby doubling the territory's productive capacity. The refinery's operation would require an electrical power station of 180 megawatts and a deep-water port, as well as a dam to provide 6 cubic hectometers/year of fresh water to cool the machinery.

In order for this project to succeed, access to adequate mineral resources would be necessary, and therefore the mining company requested that it be allowed to exchange the Poum Massif, to which it held mineral rights, for the far richer Tiébaghi Massif, held by SLN. Independence party leaders even demanded the exchange of these two massifs as a precondition to the resumption of talks with the French government, which had stagnated (Dufour 1996). SMSP did not obtain Tiébaghi, but after several months of stormy negotiations the French government decided that SMSP could exchange Poum for the Koniambo Massif, to which mineral rights were held by the French mining and metallurgical company Eramet and its subsidiary, SLN. The French government compensated SLN for the difference in value of the two massifs, and on 1 February 1998, the French government, the Territory of New Caledonia, Eramet, SLN, and SMSP all signed the Bercy Accord. This agreement stipulated that the granting of the Koniambo Massif to SMSP depended on the completion of feasibility studies, the decision to construct a refinery, and the creation by 31 January 2007 of an investment program of at least US\$100 million. This project instantly received the support of pro-independence FLNKS leaders, who saw it as a way to counterbalance the economic weight of RPCR-led Nouméa. In fact, from the beginning the project was highly politicized, with each political movement supporting one of the mining companies: FLNKS behind SMSP, RPCR behind SLN, and the French government, Eramet's majority shareholder, divided between its political and economic interests (Carnuccini and Guillaud 1997, 95–96).

The Koniambo Massif, 20 kilometers long by 6–10 kilometers wide, with a maximum altitude of 940 meters, has a mineralized surface of approximately 20 square kilometers and a potential of 132 million tons of ore with at least 2.46 percent nickel content. It was mined as early as 1888 by a multitude of small companies, with peak activity between 1938 and 1942 (SMSP 1998). Between 1940 and 1947 the massif was exploited exclusively by SLN (Nakache 1999). Having extracted as much nickel as feasible with then available technology, that mining company abandoned

the massif. The remaining soils consist of high-quality saprolite (destined for a pyrometallurgic treatment), covered by mineralized limonite, which could eventually be treated by a hydrometallurgic process. This massif has been kept as a reserve for future nickel production; its summits and slopes are almost intact and its narrow, gravelly watercourses have not been significantly modified by mining activity (Bird and others 1984, 28).

By the end of 2004, Falconbridge plans to decide whether or not to construct the refinery. If it goes ahead, construction will take three years and production will commence in mid to late 2008. Falconbridge has estimated that if its decision is positive, the construction of the refinery will create 2,000 jobs, and the mining project itself will create 700–750 direct jobs and 2,000 indirect ones. Many of the activities would require skilled labor and thus the company plans to recruit a large number of workers from overseas. However, local politicians as well as villagers expect substantial financial benefits, both from employment with the project and from the increased demand for locally supplied products and services.

### POLITICO-ECONOMIC IMPORTANCE OF THE PROJECT

Because they have the capacity to generate quick, enormous revenues, mining projects often hold out the promise of economic transformation on which to build a solid political structure. In the early days of independence in Papua New Guinea, for instance, many mining projects (including, ironically, the Panguna mine on Bougainville) were conceived as “nation-building exercises” (John Burton, pers comm, Aug 2001). Similarly, the Ok Tedi mine “symbolised the nationalism and optimism of the new state” of Papua New Guinea (King 1997, 94). While New Caledonia is not (yet) an independent state, and although the connection between mining and nationalism is still a novelty (as explained earlier), the Koniambo Project in some ways embodies a nationalistic vision. Suddenly, the Kanak of the Northern Province are acquiring access to mineral wealth, in a radical departure from their previous exclusion from the mining sector. That this project is imbued with great politico-economic importance, at both the national and the village level, is evidenced by the multitude of newspaper articles, politicians’ speeches, and individuals’ statements that make reference to it.

Many people hope that the project will entail an economic readjustment or “rebalancing” (*rééquilibrage*) as promised in the Matignon and Nouméa Accords, allowing the Northern Province to be placed on more

equal footing with the Southern Province. In the south, one nickel refinery (run by SLN) has long been in place and the construction of another is planned by the Canadian multinational Inco—prompting FLNKS spokesperson Victor Tutugoro to declare, “If the South has two refineries and the North none, that would be truly disastrous!” (quoted in Serre 2002). The Koniambo Project also fits with a strategy (which was originally proposed in 1957 by Maurice Lenormand, vice president of the Government Council, and which has gained momentum over the last few decades) of creating an urban economic pole in the North as a counterweight to Nouméa (Freyss 1995, 412). In the Voh-Koné area, many local residents expect the project and associated development of the region to provide direct or indirect money-making opportunities for young people. The mayor of Voh has expressed the opinion that the project represents a radical departure from the historical economic situation, in which Kanak had always been excluded from economic development (Guigui Dounehote, Voh, pers comm, June 2001).

Moreover, many leaders have expressed high hopes that the Koniambo Project would not only provide benefits for Kanak, to balance the financial privilege long held by other ethnic groups, but would also ensure the economic self-sufficiency necessary for political autonomy. Since nickel is the archipelago’s only high-value economic resource, it is often said that “whoever controls nickel controls New Caledonia.” The mayor of Koné, a member of the militant pro-independence party Palika, explained that, unlike other countries that had achieved independence through warfare, New Caledonia had chosen the path of negotiation and economic development. Autonomy would be made possible by large-scale industrial projects: “The watchword is, we need a viable independence for New Caledonia” (Joseph Goromido, Koné, personal interview, June 2001). Political independence therefore requires a sound economic basis, a sentiment echoed by the Palika mayor of Voh: “It’s not enough to have political independence, we need economic independence as well” (Guigui Dounehote, Voh, pers comm June 2001). A few years earlier, in an interview with a pro-independence newspaper, Raphaël Pidjot, the late chief executive officer of SMSP, had described his view of the significance of the project: “I would say that the Northern Refinery project is bringing credibility to a process that was undertaken a few years ago through the signing of the Matignon Accords by Jean-Marie Tjibaou and thus even by the FLNKS who felt, as you said, that the mining resources should be considered as a national heritage. . . . We have to include the Northern Refinery as the result of all the steps undertaken (quoted in Uregei and Waia 1996, 27).

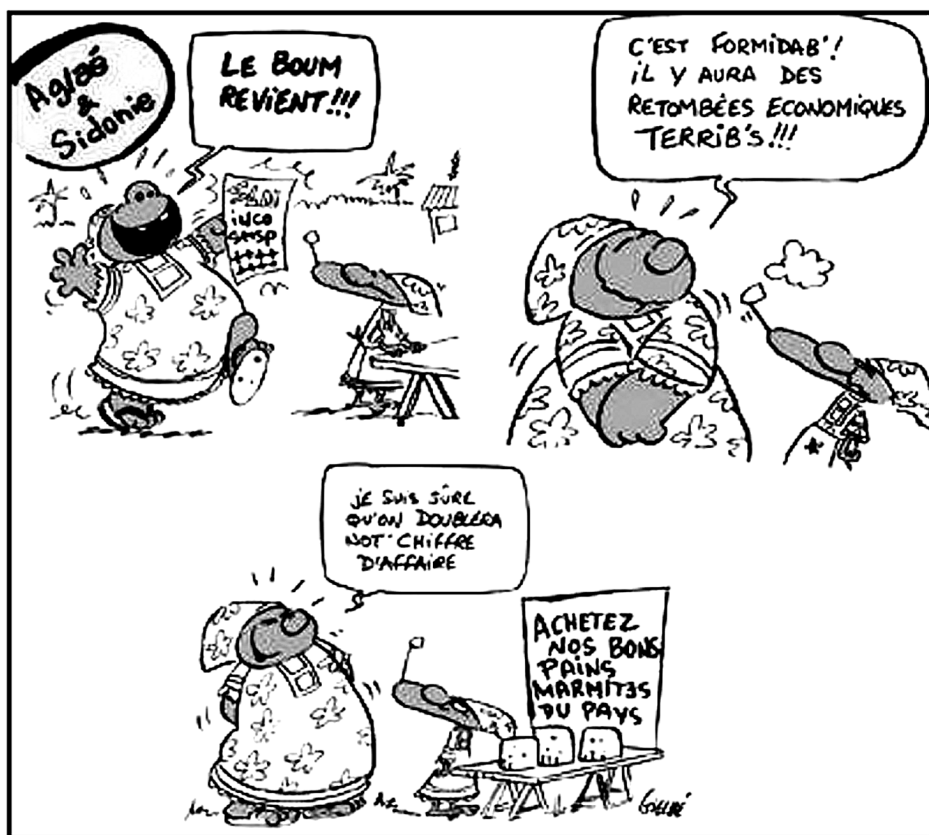
Not only did members of pro-independence parties support the Koniambo Project as a means of laying the ground for a future independence; conservative elements also recognized the importance of providing economic benefits in order to maintain peace in New Caledonia. President Chirac expressed his support for the project, as did the minister responsible for France's overseas possessions, Brigitte Girardin, who called it "the priority of priorities" (NC 2002b). Jacques Lafleur, RPCR president, stated more pragmatically, "We know very well that if one province worked and the other didn't, that would endanger the accords that we had so much trouble negotiating" (NC 2002a). The Koniambo Project is thus viewed either as representing the possibility of greater political and economic autonomy for Kanak as a precursor to independence or, in contrast, as yet another in a series of actions that have used economic gains to deter pro-independence aspirations.

#### CONCLUSION: TRANSLATING POLITICAL CAPITAL INTO ECONOMIC GAIN—BUT FOR WHOM?

A brief glance at New Caledonia's recent history may indicate the more likely of the two possible outcomes. For the past fifteen years, the archipelago's political scene has been devoid of violent demands for autonomy. This suggests that the metropolitan government and loyalists may indeed have succeeded in their attempts to convince independence-minded Kanak—through financial assistance that increases political dependency—to focus their efforts on economic development while postponing the push for independence to a point in the indeterminately distant future. On the flip side of the coin, pro-independence leaders have been able to use France's desire to maintain possession of New Caledonia as an economic bargaining chip. For instance, as discussed in this article, they have used political pressure to negotiate a very favorable deal for their mining company. Meanwhile, largely because of the project's promises of "rebalancing" New Caledonia's economic disequilibrium, local villagers have great expectations of monetary benefits from the Koniambo Project (although, relatively speaking, their aspirations are pathetically modest, as suggested in figure 1). Clearly, this situation contrasts sharply with the bleak prospects of many indigenous groups located near mining sites around the world.

However, history has shown, for New Caledonia as for elsewhere in Melanesia, that the generation of economic benefits is not a sufficient condition for harmony, either within the nation at large or within small-scale

communities. Perhaps more pressing than the project's macropolitical significance are questions about whether or not local people will actually receive a large portion of these benefits in the form of direct or indirect employment, and whether even distribution of profits among community members will take place or uneven distribution will lead to explosive resentment. These questions are all the more relevant in light of long-standing tendencies toward intense intracommunity competition for social status in New Caledonia.<sup>10</sup> As I have explored at length elsewhere, such



"The boom is back!!! It's great! There will be terrific economic benefits!!! I'm sure we'll double our sales." [On the sign:] "Buy our good local home-made bread."

FIGURE 1. A local cartoonist's vision of local people's expectations. Reprinted by permission of the cartoonist.

Source: *Les Nouvelles-Calédoniennes*, 2 July 2001.



rivalry has already begun to affect local people's engagements with the Koniambo Project, as preexistent intravillage tensions become mapped onto current micropolitical conflicts concerning expectations of differential benefits from the mining project (Horowitz 2002).

\* \* \*

*I AM GRATEFUL to the School of Resources, Environment, and Society of the Australian National University for financial assistance with the research on which this paper is based. Thanks also to Bronwen Douglas, Chris Ballard, Richard Baker, Alban Bensa, and two anonymous reviewers for helpful comments on the content of this paper. Any errors of fact or interpretation, however, remain exclusively my own responsibility.*

## Notes

1 People of European origins account for another 34 percent, while the remainder of the population is composed of Wallisians (9 percent), Indonesians (3 percent), Tahitians (3 percent), Vietnamese (1 percent), and others (5 percent) (ITSEE 2001).

2 Collaboration with non-French mining companies is not necessarily a political strategy; loyalists are also obliged to seek technical support from elsewhere, as with the Goro-Nickel project in the Southern Province, jointly operated by a Canadian multinational (Inco) and the French State. However, members of pro-independence parties state explicitly that they view such partnerships as deliberate attempts to loosen politico-economic ties to the metropole.

3 This and all subsequent translations from the French are my own.

4 These nations include Australia (Howitt 1991; Altman 1992; Lane and Chase 1996); New Zealand (Barclay-Kerr 1991; Dixon 1991; Mahuta 1992; Memon and Cullen 1996); Canada (McHugh 1996); Brazil (Goodman and Hall 1990); Indonesia (Robinson 1991); Malaysia (Arentz 1996; Horowitz 1998); Fiji (Plange 1991; Emberson-Bain 1994); Zimbabwe (Moore 1993, 1996, 1998a, 1998b); as well as Thailand, Vietnam, and Laos (Hirsch 1996; Tubtim and others 1996).

5 For examples of successful protests, see Jackson 1991; Davies and Young 1996; Hviding and Baines 1996, 81–83; Hyndman and Duhaylungsod 1996; and O'Faircheallaigh 1996.

6 FCFP: French Pacific francs, used in New Caledonia, Wallis and Futuna, and French Polynesia. In 2002, the exchange rate was approximately 69 FCFP to the Australian dollar and 134 FCFP to the US dollar.

7 Notably, in Papua New Guinea, which has abundant mineral resources and

where local people own 97 percent of land, compensation agreements form a crucial part of any mining negotiations.

8 See also Thompson 1984; Carnuccini 1999; Soriano 2000, 241.

9 Falconbridge has hinted at the strong possibility that it will use hydrometallurgical techniques at a later stage. Pyrometallurgy involves the use of heat-generating smelters to extract nickel metal from ore. Hydrometallurgy involves leaching metals from ore in a sulfuric acid medium.

10 See Bensa and Rivierre 1983; Douglas 1994, 176; Naepels 1998, 131; Pilon 1998, 222; Godin 1999, 320; Gopoea 1999.

## References

- ADECAL, Agence de Développement Economique de Nouvelle-Calédonie  
2000 Investir en Nouvelle-Calédonie. Brochure. Nouméa: ADECAL.
- Altman, J C  
1992 Land Rights and Land Use in Aboriginal Australia, with Specific Focus on the Northern Territory. In Henningham and May 1992, 206–222.
- Angleviel, Frédéric  
2000 De l'engagement comme "esclavage volontaire": Le cas des Océaniens, Kanaks et Asiatiques en Nouvelle-Calédonie. *Journal de la Société des Océanistes* 110:65–81.
- Arentz, Frans  
1996 Forestry and Politics in Sarawak. In Howitt, Connell, Hirsch 1996, 202–210.
- Ballard, Chris  
1997 Engaging Freeport: Land Rights, Human Rights and the Ethics of Consulting in Irian Jaya. Seminar presentation, École des Hautes Études en Sciences Sociales, Paris.  
2001 Human Rights and the Mining Sector in Indonesia: A Baseline Study. Report commissioned for the Mining, Minerals, and Sustainable Development Project of the International Institute for Environment and Development, London, and the World Business Council for Sustainable Development, Geneva. Oct.
- Banks, Glenn, and Frank McShane  
1999 Mining. In *The Pacific Islands: Environment and Development*, edited by Moshe Rappaport, 382–393. Honolulu: Bess Press.
- Barclay-Kerr, Kimberly  
1991 Conflict over Waikato Coal: Maori Land Rights. In Connell and Howitt 1991, 183–195.
- Bebbington, Anthony  
1996 Movements, Modernizations, and Markets: Indigenous Organizations and Agrarian Strategies in Ecuador. In Peet and Watts 1996, 86–109.

Bencivengo, Yann

- 1999 Main-d'œuvre. In *La Mine en Nouvelle-Calédonie: 101 mots pour comprendre*, No. 2, edited by Yann Bencivengo, 125–126. Nouméa: Éditions Île de Lumière.

Bensa, Alban, and Jean-Claude Rivierre

- 1983 *Histoires canaques*. Paris: Conseil international de la langue française (EDICEF).

Bird, E C F [Eric Charles Frederick], Jean-Paul Dubois, and Jacques A Iltis

- 1984 *The Impacts of Opencast Mining on the Rivers and Coasts of New Caledonia*. Tokyo: United Nations University.

Carnuccini, Anne-Sophie

- 1999 Les Kanak et l'exploitation minière. In *Chroniques du pays kanak*, 4:134–143. Nouméa: Éditions Planète Mémo.

Carnuccini, Anne-Sophie, and Dominique Guillaud

- 1997 Les fumées de l'usine: un projet métallurgique à l'appui du rééquilibrage. In *La Nouvelle-Calédonie à la croisée des chemins: 1989–1997*, edited by Gilbert David, Dominique Guillaud, and Patrick Pillon, 83–99. Paris: Société des Océanistes, Institut de recherche pour le développement.

Connell, John

- 1991 Compensation and Conflict: The Bougainville Copper Mine, Papua New Guinea. In Connell and Howitt 1991, 55–76.  
1992 “Logic is a Capitalist Cover-up”: Compensation and Crisis in Bougainville, Papua New Guinea. In Henningham and May 1992, 30–54.

Connell, John, and Richard Howitt, editors

- 1991 *Mining and Indigenous Peoples in Australasia*. Sydney: Sydney University Press.

Davies, Jocelyn, and Elspeth Young

- 1996 Taking Centre Stage: Aboriginal Strategies for Redressing Marginalisation. In Howitt, Connell, and Hirsch 1996, 152–171.

Delvinquier, Benoît, and Luc Legeard

- 1999 Boom du nickel. In *La Mine en Nouvelle-Calédonie: 101 mots pour comprendre*, No. 2, edited by Yann Bencivengo, 25–26. Nouméa: Éditions Île de lumière.

Dixon, Jennifer

- 1991 Coromandel Gold: Conquest and Conservation. In Connell and Howitt 1991, 169–182.

Dornoy, Myriam

- 1984 *Politics in New Caledonia*. Sydney: Sydney University Press.

Douglas, Bronwen

- 1994 Hierarchy and Reciprocity in New Caledonia: An Historical Ethnography. *History and Anthropology* 7 (1–4): 169–193.

- Douyere, Eric, Ismet Kurtovitch, Daniel Ivorra, Jean Poinat, and Marco Villers  
 1985 *Capitalisme et colonialisme en Nouvelle-Calédonie*. 3rd ed. Nouméa: Éditions populaires. First published by Editions L K S, 1982.
- Dufour, Erik  
 1996 Usine du Nord: le projet de tous les enjeux. *Le Quotidien calédonien*, 23–24 Nov, 15.
- Emberson-Bain, 'Atu  
 1994 *Labour and Gold in Fiji*. Cambridge: Cambridge University Press.
- Filer, Colin  
 1990 The Bougainville Rebellion, the Mining Industry and the Process of Social Disintegration in Papua New Guinea. *Canberra Anthropology* 13 (1): 1–39.
- Freyss, Jean  
 1995 *Économie assistée et changement social en Nouvelle-Calédonie*. Paris: Institut d'études du développement économique et social de l'Université de Paris, Collection Tiers monde, Presses universitaires de France.  
 1996 Nouvelle-Calédonie: le "rééquilibrage" et ses contraintes. In *Colonies, territoires, sociétés: L'Enjeu français*, edited by Alain Saussol and Joseph Zitomersky, 253–272. Paris: L'Harmattan.
- Godin, Patrice  
 1999 Des mythes d'origine kanak. In *Chroniques du pays kanak*, 3: 316–331. Nouméa: Éditions Planète Mémo.
- Goodman, David, and Anthony Hall, editors  
 1990 *The Future of Amazonia: Destruction or Sustainable Development?* Houndmills, UK: Macmillan.
- Gopoea, André  
 1999 Le problème foncier. In *Chroniques du pays kanak*, 4: 198–219. Nouméa: Éditions Planète Mémo.
- Henningham, Stephen  
 1992a *France and the South Pacific: A Contemporary History*. Sydney: Allen & Unwin.  
 1992b Nickel and Politics in New Caledonia. In Henningham and May 1992, 64–78.
- Henningham, Stephen, and R J May, editors  
 1992 *Resources, Development and Politics in the Pacific Islands*. Bathurst, Australia: Crawford House Press.
- Hirsch, Philip  
 1996 Dams and Compensation in Indo-China. In Howitt, Connell, and Hirsch 1996, 212–222.
- Horowitz, Leah S  
 1999 Integrating Indigenous Resource Management with Wildlife Conser-

- vation: A Case Study of Batang Ai National Park, Sarawak, Malaysia. *Human Ecology* 26 (3): 371-403.
- 2001 Étude de faisabilité sur le thème de la création d'un parc naturel dans les îles Loyauté. Study commissioned by the Loyalty Islands Province, We, New Caledonia. Feb.
- 2002 Daily, Immediate Conflicts: An Analysis of Villagers' Arguments about a Multinational Nickel Mining Project in New Caledonia. *Oceania* 73 (1): 35-55.
- Howard, Michael C
- 1991 *Mining, Politics and Development in the South Pacific*. Boulder: Westview Press.
- Howitt, Richard
- 1991 Aborigines and Gold Mining in Central Australia. In Connell and Howitt 1991, 119-137.
- Howitt, Richard, with John Connell and Philip Hirsch, editors
- 1996 *Resources, Nations and Indigenous Peoples: Case Studies from Australasia, Melanesia and Southeast Asia*. Melbourne: Oxford University Press.
- Hviding, Edvard, and Graham Baines
- 1996 Custom and Complexity: Marine Tenure, Fisheries Management and Conservation in Marovo Lagoon, Solomon Islands. In Howitt, Connell, and Hirsch 1996, 66-87.
- Hyndman, David, and Levita Duhaylungsod
- 1996 Reclaiming T'boli Land. In Howitt, Connell, and Hirsch 1996, 104-120.
- ISEE, Institut de la Statistique et des Études Économiques
- 2001 Une Croissance confirmée: Bilan économique 2000. Nouméa: Institut de la Statistique et des Études Économiques
- ITSEE, Institut Territorial de la Statistique et des Études Économiques
- 2001 Nouvelle-Calédonie en bref 2001. Nouméa: Institut Territorial de la Statistique et des Études Économiques.
- Jackson, Richard
- 1991 Not Without Influence: Villages, Mining Companies, and Government in Papua New Guinea. In Connell and Howitt 1991, 18-33.
- King, David
- 1997 The Big Polluter and the Constructing of Ok Tedi: Eco-imperialism and Underdevelopment along the Ok Tedi and Fly Rivers of Papua New Guinea. In *The Ok Tedi Settlement: Issues, Outcomes and Implications*, edited by Glenn Banks and Chris Ballard, 94-112. Canberra: National Centre for Development Studies and Resource Management in Asia-Pacific Project, Research School of Pacific and Asian Studies, Australian National University.

Lane, Marcus, and Athol Chase

- 1996 Resource Development on Cape York Peninsula: Marginalisation and Denial of Indigenous Perspectives. In Howitt, Connell, and Hirsch 1996, 172–183.

Leblic, Isabelle

- 1991 Pêche, clan-pêcheurs et développement en Nouvelle-Calédonie. In *La Recherche face à la pêche artisanale*, edited by Jean-René Durand, Jean Lemoalle, and Jacques Weber, 747–756. Paris: ORSTOM.
- 1993 *Les Kanak face au développement: La voie étroite*. Nouméa: ADCK; Grenoble: Presses Universitaires de Grenoble.

Leith, Denise

- 2002 Freeport and the Suharto Regime, 1965–1998. *The Contemporary Pacific* 14:69–100.

Lepot, Henri

- 2001 Environnement: le débat de l'usine et de la nature. *Les Nouvelles-Calédoniennes*, 23 Nov.

Mahuta, R T [Robert Tekotahi]

- 1992 Maaori Land and Resource Issues in New Zealand. In Henningham and May 1992, 195–205.

Mathieu-Daudé, Jacques, editor

- 1992 *Atlas de la Nouvelle-Calédonie*. 2nd rev ed. Nouméa: Les Éditions du cagou. First published in Nouméa by Hachette Calédonie, 1989.

May, R J, and Matthew Spriggs, editors

- 1990 *The Bougainville Crisis*. Bathurst: Crawford House Press.

McHugh, Paul

- 1996 The Legal and Constitutional Position of the Crown in Resource Management. In Howitt, Connell, and Hirsch 1996, 300–316.

Memon, P Ali, and R C Cullen

- 1996 Rehabilitation of Indigenous Fisheries in New Zealand. In Howitt, Connell, and Hirsch 1996, 252–264.

Merle, Isabelle

- 1995 *Expériences coloniales: La Nouvelle-Calédonie (1835–1920)*. Paris: Belin.

Moore, Donald S

- 1993 Contesting Terrain in Zimbabwe's Eastern Highlands: Political Ecology, Ethnography, and Peasant Resource Struggles. *Economic Geography* 69 (4): 380–401.
- 1996 Marxism, Culture and Political Ecology. In Peet and Watts 1996, 125–147.
- 1998a Clear Waters and Muddied Histories: Environmental History and the Politics of Community in Zimbabwe's Eastern Highlands. *Journal of Southern African Studies* 24 (2): 377–403.

- 1998b Subaltern Struggles and the Politics of Place: Remapping Resistance in Zimbabwe's Eastern Highlands. *Cultural Anthropology* 13 (3): 344–381.
- Naepels, Michel  
 1998 *Histoires de terres kanakes*. Paris: Belin.
- Nakache, Thierry  
 1999 Koniambo. In *La Mine en Nouvelle-Calédonie: 101 Mots pour Comprendre*, No. 2, edited by Yann Bencivengo, 109–110. Nouméa: Éditions Île de Lumière.
- NC, *Les Nouvelles-Calédoniennes*. Daily. Nouméa.  
 2001a Projet Goro Nickel: “Le droit coutumier doit être respecté.” 10 July.  
 2001b 19 milliards: le cher projet des coutumiers du Sud. 24 July.  
 2002a Jacques Lafleur au ministre de l'Économie: “Faire aboutir le projet du nord et acquérir les 15% du BRGM pour l'usine du Sud.” 2 Sept.  
 2002b Le patron d'Inco en Australie pour rencontrer le constructeur de Goro Nickel. 5 Sept.  
 2002c 10% de Goro à la Nouvelle-Calédonie: une participation saluée par la classe politique. 20 Nov.
- O'Faircheallaigh, Ciaran  
 1996 Negotiating with Resource Companies: Issues and Constraints for Aboriginal Communities in Australia. In Howitt, Connell, and Hirsch 1996, 184–201.
- Peet, Richard, and Michael Watts, editors  
 1996 *Liberation Ecologies: Environment, Development, Social Movements*. London: Routledge.
- Pillon, Patrick  
 1998 Les ancrages symboliques et sociaux de l'occupation de l'espace et de l'organisation territoriale en pays Mèa (Nouvelle-Calédonie). *Journal de la Société des Océanistes* 107 (2): 199–225.
- Plange, Nii-K  
 1991 Emperor's Gold in Fiji. In Connell and Howitt 1991, 91–105.
- Rainon, Nathalie, and Fred Villedieu  
 1999 Crises et booms. In *La Mine en Nouvelle-Calédonie: 101 mots pour comprendre*, No. 2, edited by Yann Bencivengo, 49–50. Nouméa: Éditions Île de lumière.
- Rangan, Haripriya  
 1996 From Chipko to Uttaranchal: Development, Environment, and Social Protest in the Garhwal Himalayas, India. In Peet and Watts 1996, 205–226.
- Robinson, Kathy  
 1991 Land Rights, Labour Relations, and Fertility in the Soroako Nickel Project, Sulawesi. In Connell and Howitt 1991, 107–118.

Saussol, Alain

- 1996 Nouvelle-Calédonie: stratégies coloniales et organisation de l'espace. Le mythe d'une colonie de peuplement. In *Colonies, territoires, sociétés: L'Enjeu français*, edited by Alain Saussol and Joseph Zitomersky, 183–216. Paris: L'Harmattan.

Serre, Xavier

- 2002 FLNKS: en marche pour soutenir l'usine du Nord. *Les Nouvelles calédoniennes*, 19 Feb.

SMSP, Société minière du Sud Pacifique

- 1998 État des lieux. Massifs du Koniambo-Katepahie. Report, SMSP, Nouméa 15 April.

Soriano, Eric

- 2000 Tisser des liens politiques: Mobilisation électorale et vote mélanésien (1946–1958). In *En pays kanak: ethnologie, linguistique, archéologie, histoire de la Nouvelle-Calédonie*, edited by Alban Bensa and Isabelle Leblic, 233–252. Paris: Éditions de la Maison des sciences de l'homme.

Thompson, Anne-Gabrielle

- 1984 The Uses and Misuses of Capital: New Caledonia's Mining Industry 1871–1901. *The Journal of Pacific History* 19 (2): 66–86.

Tubtim, Kaneungnit, Khamla Phanvilay, and Philip Hirsch

- 1996 Decentralisation, Watersheds and Ethnicity in Laos. In Howitt, Connell, and Hirsch 1996, 265–277.

Uregei, Hnalaine, and Nicole Waia

- 1996 Entretien avec Raphaël Pidjot. *Combat ouvrier* 49, 23 Aug: 26–34.

Winslow, Donna

- 1989 Mining and the Environment in New Caledonia: The Case of Thio. In *Ethnicity and Nation-building in the Pacific*, edited by Michael C Howard, 111–131. Tokyo: United Nations University.

## Abstract

In New Caledonia, pro-independence leaders perceive economic autonomy as a prerequisite for political independence. The Koniambo Project, a joint venture between a Canadian multinational and a local mining company, is seen by many Kanak as an opportunity to loosen economic ties to metropolitan France. Indeed, unlike cases in which large-scale resource extraction has disadvantaged local groups and intensified demands for political rights, the Koniambo Project resulted from pro-independence activism. This atypical situation can be explained by the



French government's strategy in New Caledonia. Violent uprisings in the mid-1980s ended with accords that promised economic development. Radical activists believed this would pave the way for independence while their opponents hoped to obviate such aspirations. Similarly, the Koniambo Project is viewed either as an opportunity for greater Kanak autonomy or as yet another in a series of actions that have used economic gains to deter pro-independence efforts.

**KEYWORDS:** New Caledonia, Kanak, mining, independence movement, Koniambo Project, Falconbridge, France